



Treasury Financial Manual

Transmittal Letter No. 5

Volume IV

To: Treasury Tax and Loan Depositories

1. Purpose

This transmittal letter releases Volume IV Treasury Financial Manual (TFM). It issues codified instructions to guide financial institutions that qualify as Treasury tax and loan depositories and/or provide electronic tax deposit services.

2. Page Changes

Remove

Table of Contents
for Volume IV

IV TFM 1-1000

IV TFM 1-2000

Insert

Table of Contents
for Volume IV

IV TFM 1-1000

IV TFM 1-2000

IV TFM 1-2100

IV TFM 1-2200

IV TFM 1-2300

3. Effective Date

Upon receipt.

4. Inquiries

Direct questions concerning this transmittal letter to:

Directives Management Branch
Financial Management Service
Department of the Treasury
3700 East-West Highway, Room 5C16
Hyattsville, MD 20782
Telephone: 202-874-9940

Date: July 14, 1999

Richard L. Gregg
Commissioner

Part 1—Chapter 2000

FEDERAL TAX COLLECTIONS—OVERVIEW

This chapter provides an overview of the Federal tax collections process for all financial institutions that process Federal tax payments or participate in the Treasury Tax and Loan (TT&L) Program and/or the Treasury Tax and Loan Investment Program (TT&L IP).

Section 2010—Applicability

By accepting or originating Federal tax payments, the financial institution is bound by IV TFM and applicable Federal Reserve Bank (FRB) operating circulars that supplement regulations at Title 31 of the Code of Federal Regulations, Part 203 (31 CFR Part 203). The Treasury Financial Manual (TFM), and its amendments, are available on the Financial Management Service's (FMS's) website: www.fms.treas.gov.

Section 2015—Authority

Title 31 CFR Part 203 governs:

- Financial institutions that process Federal tax payments either electronically through the Electronic Federal Tax Payment System (EFTPS) or through the paper-based Federal Tax Deposit (FTD) system.
- Designation of TT&L depositories for maintaining and administering TT&L accounts and/or note balances.
- Collateral security requirements.

Section 2020—Definitions

Acknowledgment Number—An acknowledgment number is the unique electronic funds transfer number assigned to track EFTPS transactions. The Treasury Financial Agent (TFA)

assigns an acknowledgment number to each Automated Clearing House (ACH) debit and credit. The FRB assigns an acknowledgment number to all same-day applications (Fedwire value transfer, Fedwire non-value transaction and Fedline Taxpayer Deposit transaction).

Advice of Credit (AOC)—Depositories use Treasury Form 2284: Advice of Credit, to summarize and report FTD coupon deposits to the Internal Revenue Service (IRS) and the FRB. They may send AOC information by mail or deliver it electronically to the FRB via Fedline or voice response.

Automated Clearing House (ACH) Credit Entry—An ACH credit entry is a transaction originated by a financial institution in accordance with applicable ACH association formats and applicable laws, regulations and procedural instructions. The taxpayer instructs its financial institution to initiate the transfer of funds to make a Federal tax payment from the taxpayer's account to the Treasury General Account (TGA).

Automated Clearing House (ACH) Debit Entry—An ACH debit entry is a transaction originated by the TFA, at the request of the taxpayer, in accordance with applicable ACH association formats and applicable laws, regulations and procedural instructions. The taxpayer instructs the TFA to initiate the transfer of funds to make a Federal tax payment from the

taxpayer's account at its financial institution to the TGA.

Bureau of the Public Debt (BPD)—BPD is a bureau within the Department of the Treasury (Treasury) with regulatory responsibility to establish acceptable collateral and to determine the valuation of the collateral for the TT&L Program.

Business Day—A business day is any day on which the district FRB is open.

Cash Concentration or Disbursement Automated Clearing House (ACH) Format with the TXP (tax payment) Addenda Record (CCD+TXP)—This is an ACH format for EFTPS credit entries.

Collateral—Collateral is a marketable security or instrument that has been determined by Treasury and approved by the FRB as acceptable. The pledgor (depository) gives collateral to secure deposits or investment balances at risk to Treasury.

Depository—A depository is a financial institution authorized to participate in the TT&L Program. (See also Treasury Tax and Loan Depository.)

Direct Investment (DI)—A direct investment places Treasury funds with a depository, resulting in a corresponding increase in a depository's note balance.

Election of Option Form—An existing depository uses an Election of Option Form to indicate a change in

the option under which it will administer its TT&L account and/or participate in the TT&L IP. The FRB supplies Election of Option Forms.

Electronic Federal Tax Payment System (EFTPS)—EFTPS is that system through which taxpayers remit Federal tax deposits and payments electronically.

Federal Funds Rate—Treasury uses the Federal Funds Rate as the basis for computing interest and penalty charges. The Board of Governors of the Federal Reserve System publishes the Federal Funds Rate weekly as a yield percent per annum.

Federal Reserve Account—This is an account with reserve or clearing balances held by a financial institution at an FRB.

Federal Reserve Bank Treasury Tax and Loan Application Deposits (FRB TT&L Application Deposits)—Currently FRB TT&L application deposits include Federal tax deposits made through the paper-based coupon system, and EFTPS deposits using ACH credits and debits, Fedwire non-value, and the Fedline Taxpayer Deposit Application. The Federal Reserve's TT&L system places FRB TT&L application deposits in a depository's note balance.

Federal Reserve-Electronic Tax Application (FR-ETA)—FR-ETA is a subsystem of the EFTPS that receives, processes and transmits same-day Federal tax payment information for taxpayers to the IRS via a Treasury Financial Agent. Financial institutions and depositories use Fedwire value transfers, Fedwire non-value transactions or the Fedline Taxpayer Deposit Application as the delivery mechanism to FR-ETA.

Federal Reserve-Electronic Tax Application (FR-ETA) Reference Number—The FR-ETA reference number is a unique 15-digit electronic funds transfer number. The FRB assigns a FR-ETA reference number to track each FR-ETA transaction.

Federal Tax Deposit (FTD)—An FTD is a Federal tax deposit or payment made by taxpayers using an FTD coupon.

Federal Tax Deposit Coupon (FTD coupon)—Form 8109: Federal Tax Deposit Coupon, accompanies a Federal tax deposit made through the FTD system. The IRS supplies FTD coupons to taxpayers.

Federal Tax Deposit (FTD) System—This is the paper-based system through which taxpayers remit Federal tax deposits or payments by presenting an FTD coupon and payment to a depository. The depository prepares an AOC summarizing the FTD coupons.

Federal Taxes—Federal taxes are those taxes or other payments specified by the Secretary of the Treasury as eligible for payment through the FTD system or the EFTPS.

Fedline—Fedline is the computer-based electronic delivery system that provides financial institutions and depositories access to Federal Reserve System services and information.

Fedline Taxpayer Deposit Application—Within Fedline, this application supports the reporting of Federal tax payments on the date of settlement. These transactions settle through TT&L at the end of the day.

Fedline Taxpayer Deposit Transaction—This is the same-day Federal tax payment information transmitted by a financial institution using the Federal Reserve's Fedline Taxpayer Deposit Application. These transactions settle through TT&L at the end of the day.

Fedwire—Fedwire is the funds transfer system owned and operated by the Federal Reserve System.

Fedwire Non-Value Transaction—This is the same-day Federal tax payment information transmitted by a financial institution to an FRB using a Fedwire non-value (Typecode 1090) message with a third party specific

format and an IRS product code. These transactions settle through TT&L at the end of the day.

Fedwire Value Transfer—This is a Federal tax payment made by a financial institution using a Fedwire value message (Typecode 1000) and a Customer Transfer Product Code. These payments settle immediately in funds.

Financial Institution—A financial institution is any bank, savings bank, savings and loan association, credit union, or similar institution. A financial institution may process payments and deposits through the EFTPS. However, financial institutions participating in the paper-based FTD system and/or TT&L IP are referred to as depositories in this document.

Fiscal Agent—Fiscal agent refers to the Federal Reserve Bank acting as agent for Treasury.

Input Message Accountability Data (IMAD)—IMAD is a unique number assigned to track each Fedwire transaction sent by a financial institution.

Interest Rate Factor for Interest Assessments under the Electronic Federal Tax Payment System (EFTPS)—Treasury charges depositories and financial institutions this interest rate, expressed as a daily factor, for delayed processing of EFTPS transactions. The factor is: Federal Funds Rate (rounded to four decimal places) for the week, less 25 basis points (one-fourth of 1 percent), divided by 360 and rounded to the fifth decimal place.

Interest Rate Factor for Late Advices of Credit (AOCs)—Treasury charges depositories this interest rate, expressed as a daily factor, for late AOCs. The factor is: Federal Funds Rate (rounded to four decimal places) for the week, less 25 basis points (one-fourth of 1 percent), divided by 360 and rounded to the fifth decimal place.

Interest Rate Factor for Selective Charges for Federal Tax Deposit

(FTD) Coupons—Treasury charges depositaries this interest rate, expressed as a daily factor, for late processing of tax deposits. The factor is: the average of the weekly Federal Funds Rate (rounded to four decimal places) for the TT&L cycle, plus 2 percent, divided by 360 and rounded to the fifth decimal place.

Interest Rate Factor for Stale-Dated Federal Tax Deposit (FTD) Coupons—Treasury charges depositaries this interest rate, expressed as a daily factor, for stale-dated Federal tax deposits. The factor is: the average of the weekly Federal Funds Rate (rounded to four decimal places) for the TT&L cycle, plus 2 percent, divided by 360 and rounded to the fifth decimal place.

Interest Rate Factor for the Treasury Tax and Loan Investment Program (TT&L IP)—Treasury charges depositaries and financial institutions this interest rate, expressed as a weekly factor, for interest earned on the TT&L IP. The factor is: Federal Funds Rate for the week (rounded to four decimal places), less 25 basis points (one-fourth of 1 percent), divided by 360, multiplied by 7 and rounded to the fifth decimal place. The fifth number to the right of the decimal point is rounded to the next higher number if the sixth number to the right of the decimal point is 6, 7, 8 or 9. The fifth number to the right of the decimal point remains the same if the sixth number to the right of the decimal point is 0, 1, 2, 3, 4 or 5.

Interest Rate Factor for Undated Federal Tax Deposit (FTD) Coupons—Treasury charges depositaries this interest rate, expressed as a daily factor, for undated Federal tax deposits. The factor is: the average of the weekly Federal Funds Rate (rounded to four decimal places) for the TT&L cycle, plus 2 percent, divided by 360 and rounded to the fifth decimal place.

Managing Reserve Bank (MRB)—The MRB is the Federal Reserve

Bank that manages a depository's TT&L account and/or note balance and carries the TT&L account and/or note balance on its books. It is the depository's Administrative Reserve Bank, except with respect to inter-district temporary secondary accounts.

Managing Reserve Bank Head Office Local Zone Time (MRB Head Office LZT)—This is the local time at the FRB Head Office through which an electronic tax application transaction settles or an AOC is processed.

Maximum Balance—Maximum balance is the highest amount a depository has stated it will accept in its note balance and be able to fully collateralize.

Note Balance—Note balance is the dollar value of funds a depository has accepted to retain in an open-ended, interest-bearing note generated from funds. The funds are transferred from the depository's TT&L account, received through EFTPS transaction(s), or deposited by Treasury through the Direct Investment (DI) or Special Direct Investment (SDI) Programs.

Note Option—Note Option is that option selected by a depository under which Treasury invests in obligations of the depository. An open-ended, interest-bearing note balance maintained at the FRB evidences the amount of such investments.

Notification of Change (NOC)—An NOC is a non-dollar entry sent by the TFA to the financial institution, or by the financial institution to the TFA, to give notice that previously valid banking information (account number, account type, etc.) has changed. The TFA or financial institution also uses an NOC to correct erroneous information contained in a prenotification or zero-dollar entry.

Off-Premises Collateral (OPC) Arrangement—An OPC is a collateral custody arrangement, established under the TT&L IP. This arrangement permits a depository to hold in its

possession, for the FRB, collateral pledged to secure funds invested with the depository as special direct investments.

Originating Depository Financial Institution (ODFI)—An ODFI is a financial institution that originates an ACH entry. For an ACH credit entry, the taxpayer's financial institution is the ODFI. For an ACH debit entry, the Treasury Financial Agent is the ODFI.

Prenotification—A prenotification is a non-dollar entry sent through the ACH network at least 6 business days prior to live-dollar entries. It alerts the receiving financial institution that a live-dollar transaction will be forthcoming (and that the receiver's account information should be verified). TFAs originate prenotifications when a taxpayer enrolls for ACH debit in EFTPS. (See also Zero-Dollar Entry for ACH credit prenotification.)

Procedural Instructions—These include the procedures contained in IV TFM, other Treasury instructions issued through the TFAs and Federal Reserve System operating circulars issued consistent with this volume.

Receiving Depository Financial Institution (RDFI)—A financial institution that receives an ACH entry is an RDFI. For an ACH credit entry, the FRB, as fiscal agent, is the RDFI. For an ACH debit entry, the taxpayer's financial institution is the RDFI.

Reclamation Debt Offset—A reclamation debt offset withholds compensation for processing certain FTD coupons from a depository that has cashed U.S. Government checks bearing forged or unauthorized endorsements. This offset process continues until the reclamation debt, plus interest, is paid in full.

Recognized Insurance Coverage—Recognized insurance coverage is the insurance provided by the Federal Deposit Insurance Corporation, National Credit Union Administration or insurance organizations specifi-

cally qualified by the Secretary of the Treasury.

Remittance Option—Remittance Option is an option selected by a depository that processes FTD coupons. Under this option, the amount of deposits credited by the depository to its TT&L account is withdrawn by the FRB for deposit to the TGA on the business day that the FRB receives the AOC supporting such deposits.

Same-Day Payment—Same-day payment refers to the following FR-ETA payment options: Fedline Taxpayer Deposit Application transaction, Fedwire non-value transaction and Fedwire value transfer.

Secretary—Secretary refers to the Secretary of the Treasury or the Secretary's authorized delegate.

Selective Charge—A selective charge is a monetary charge against a depository for failing to date-stamp an FTD coupon (Form 8109) with the same date on which the taxpayer presented the FTD coupon to the depository. (See IV TFM 1-2135.70.)

Settlement Date—This is the scheduled date on which the FRB will debit a financial institution or depository, or its correspondent.

Special Direct Investment (SDI)—An SDI is an investment of Treasury funds in obligations of the depository and a corresponding increase in a depository's note balance. The investment specifically is identified as a "special direct investment" and must be fully secured by collateral retained in the possession of the depository.

Stale-Dated Coupon—A stale-dated coupon is an FTD coupon (Form 8109) not included in the AOC (Form 2284) of the same date as the FTD coupon. Instead, it is included in an AOC of a later date. A stale-dated coupon results in a stale-dated coupon charge. (See IV TFM 1-2135.30.)

Tax Due Date—Tax due date is the day that a Federal tax payment is due to Treasury, as determined by statute and applicable regulation.

Taxpayer Identification Number (TIN)—A TIN is a nine-digit identifier required of all individuals and businesses that file tax returns in the United States. Section 6109 of the Internal Revenue Code of 1986, as amended (26 U.S.C. 6109) describes a TIN.

Transaction Trace Number—The taxpayer's financial institution assigns a transaction trace number to track each ACH credit entry.

Treasury Financial Agent (TFA)—A TFA is a financial institution designated as an agent of Treasury for processing EFTPS enrollments, receiving EFTPS tax payment information and originating ACH debit entries for taxpayers.

Treasury General Account (TGA)—The TGA is an account maintained in the name of the U.S. Treasury at an FRB.

Treasury Tax and Loan (TT&L) Account—A TT&L account is the Treasury account maintained by a depository in which funds are credited by the depository after receiving and collateralizing FTD coupons.

Treasury Tax and Loan Depository (TT&L Depository)—The FRB designates a financial institution as a TT&L depository to maintain a TT&L account and/or note balance. A depository may process Federal tax payments through the EFTPS in addition to maintaining a TT&L account and/or note balance.

Treasury Tax and Loan Investment Program (TT&L IP)—The TT&L IP is the program through which Treasury loans its excess operating funds to designated depositories. Treasury places funds in a TT&L depository's note balance, and the depository pays Treasury interest for the use of the funds. All investments in a depository's note balance must be 100 percent collateralized.

Treasury Tax and Loan (TT&L) Program—The TT&L Program includes the Federal Tax Deposit (FTD) System, the Electronic Federal

Tax Payment System (EFTPS) and the Treasury Tax and Loan Investment Program (TT&L IP). Through the TT&L Program, Treasury collects taxes and other funds and invests its short-term operating cash.

Treasury Tax and Loan (TT&L) Reporting Cycle—The TT&L reporting cycle begins on the first Thursday of each month and ends on the Wednesday preceding the first Thursday of the following month.

Treasury Tax and Loan (TT&L) Weekly Interest Rate Factor—The Federal Reserve provides this rate. The factor is: the weighted average of rates on trades through New York brokers, minus 25 basis points, divided by 360, multiplied by 7 and rounded to the fifth decimal place. The annual rate is for the 7 calendar days ending on Wednesday.

Undated Coupon—An undated coupon is an FTD coupon (Form 8109) that was not properly date-stamped. An undated coupon results in an undated charge. (See IV TFM 1-2135.50.)

Zero-Dollar Entry—A zero-dollar entry is an ACH entry (zero-dollar amount) with payment related remittance data. A taxpayer's financial institution must initiate a zero-dollar entry (cash concentration or disbursement with the tax payment addenda record (CCD+TXP) upon request of the taxpayer before initiating the first live dollar ACH credit entry to the TGA.

Section 2025—Tax Collection Systems Overview

Financial institutions may process Federal tax payments by paper coupons or electronic entries.

2025.10—Federal Tax Deposit (FTD) System

The paper-based FTD system requires that a taxpayer present an FTD coupon and payment to a depository.

The depository completes an AOC summarizing the FTD coupons accepted that business day. It forwards the coupons and a copy of the AOC to the IRS and the original of the AOC to the Managing Reserve Bank, usually electronically via either Fedline or voice response. The following business day, the FRB will charge the depository's reserve account for the amount reported on the AOC. If the depository is a Remittance Option depository, the FRB will credit the TGA. If the depository is a Note Option depository, the FRB will credit the depository's note balance.

2025.20—Electronic Federal Tax Payment System (EFTPS)

The EFTPS requires a taxpayer to enroll with the TFA and select a tax payment method. A taxpayer can make tax payments in EFTPS using an ACH debit or credit or a FR-ETA transaction. The taxpayer initiates an ACH debit through the assigned TFA or an ACH credit or a same-day payment option through a financial institution of its choice. The TFA or financial institution must initiate ACH entries at least 1 business day before the intended settlement date. Financial institutions initiate same-day payment options and settle them that day.

In outline form, the EFTPS includes:

- ACH (future day payment mechanism):
 - ACH debit entry.
 - ACH credit entry.
- FR-ETA (same-day payment mechanism):
 - Fedwire value transfer (Typecode 1000).
 - Fedwire non-value transaction (Typecode 1090).
 - Fedline Taxpayer Deposit Application.

Section 2030—Difference Between Financial Institutions and Depositories

2030.10—Financial Institution

A financial institution participates in the EFTPS by receiving an ACH debit entry or originating an ACH credit entry in payment of a Federal tax liability. It posts the entry to its customer's account. A financial institution also may originate a Fedwire value transfer, Fedwire non-value transaction or Fedline Taxpayer Deposit transaction for payment of a customer's Federal tax liability.

2030.20—Depository

A depository is a financial institution designated as a depository by the FRB, acting as Treasury's fiscal agent. A depository participates in the TT&L Program by any combination of the following:

Federal Tax Deposit System

The paper-based FTD system requires that a taxpayer present an FTD coupon and payment to a depository. The following business day, the depository must submit the AOC to the FRB. The FRB credits the depository's note balance if the depository is a Note Option. For Remittance Option depositories, the FRB charges the depository's reserve account for the amount of the payment and credits the TGA.

Note Option Depository

A Note Option depository is a depository that elects and is designated by the FRB to participate in the TT&L IP. This designation also permits a depository to receive a portion of Treasury's excess operating cash for investment purposes, if the depository so elects. Designation as a Note Option depository is not dependent upon participation in either the FTD system or EFTPS. (See IV TFM

1-2325.60 for Sources of Investments.)

Electronic Federal Tax Payment System

A financial institution designated as a depository is eligible to process payments through EFTPS.

Section 2035—Classification of Depositories

A depository processing FTD coupons may choose to be designated as either a Note Option or Remittance Option depository. A depository also may elect to participate in the TT&L IP as a Note Option depository without processing EFTPS payments or FTD coupons. The options follow.

2035.10—Note Option

Some depositories elect to participate in the TT&L IP as a Note Option depository. This designation allows the depository to receive a portion of Treasury's excess operating cash, which the depository may use for cash investment purposes. (See IV TFM 1-2325.60 for Sources of Investments.)

Treasury invests its excess operating cash in open-ended, interest-bearing notes maintained by the depository.

The FRB places a Note Option depository in Class A, B or C. It classifies a Note Option depository depending on the depository's:

- Total FRB TT&L Application Deposits during the preceding calendar year.
- Deposit liability (both demand and time) as of September 30 of the previous year.
- Investment amount a depository is willing to accept (maximum balance).

Currently, the FRB uses the following classification criteria for placement of a newly designated depository:

(1) **Class A**—Class A includes depositaries that had \$10 million or less in total annual FRB TT&L Application Deposits the preceding calendar year.

(2) **Class B**—Class B includes depositaries that had more than \$10 million, but \$100 million or less in total annual FRB TT&L Application Deposits the preceding calendar year. Also included are depositaries with more than \$100 million in total annual FRB TT&L Application Deposits, but whose total deposit liability (both demand and time) was \$100 million or less on September 30 of the preceding calendar year.

(3) **Class C**—Class C includes depositaries that meet any one or more of the following criteria:

- Depositaries with more than \$100 million in total annual FRB TT&L Application Deposits the preceding calendar year and whose total deposit liability (both demand and time) exceeded \$100 million on September 30 of the preceding year.
- Any depositary with \$5 billion or more in deposit liability (both demand and time) on September 30 of the preceding calendar year.
- Any depositary with a maximum balance of \$250 million or more.

2035.20—Remittance Option

Under this option, the FRB, after receiving the AOC, immediately withdraws funds equivalent to the FTD coupons credited by a depositary to its TT&L account.

The FRB places Remittance Option depositaries in Class 1 or 2. It classifies depositaries depending on their total annual FRB TT&L Application Deposits made during the pre-

ceding calendar year. The FRB usually places a newly designated depositary in Class 2.

Currently, the FRB uses the following classification criteria for placement of Remittance Option depositaries:

(1) **Class 1**—Class 1 includes depositaries that had more than \$10 million in total annual FRB TT&L Application Deposits the preceding calendar year.

(2) **Class 2**—Class 2 includes depositaries that had \$10 million or less in total annual FRB TT&L Application Deposits the preceding calendar year.

2035.30—Annual Reclassification

Annually, Treasury requests that the FRB report individual depositary's annual TT&L Application Deposit flows. Treasury uses this information to determine if the previous year's classification will meet its next-years cash flow needs. The FRB reclassifies the depositaries using Treasury's criteria, or breakpoints (see paragraphs 2035.10 and 2035.20). Treasury may change the classification criteria at any time.

Section 2040—Statements to Depositaries and Financial Institutions

The FRB issues statements to depositaries and financial institutions for all activities under this chapter. If capable, depositaries or financial institutions can receive statements electronically.

2040.10—Statements to Depositaries

After the close of a TT&L reporting cycle, the FRB timely issues

statements to appropriate depositaries. These statements include interest earned by Treasury on note balances (Note Option only) and charges for late delivery or improper processing of AOCs (Remittance Option only). For Note Option depositaries, the statement also includes the average daily balance of the note balance and the interest factor for each week of the reporting cycle. For Remittance Option depositaries, the statement includes the number of calendar days each AOC was late, the daily interest factor and the late fee.

If appropriate, the FRB issues a supplementary statement to depositaries on or about the 10th business day of the month that includes charges for stale and undated FTD coupons. (See IV TFM 1-2135.)

The statement shows:

- The AOC and FTD coupon dates.
- The number of calendar days variance for stale-dated FTD coupons and the number of undated FTD coupons.
- The daily interest rate factor for stale-dated and undated FTD coupons.

For the prior reporting cycle, the statement for both Note and Remittance Option depositaries includes:

- Transaction description (ACH credit or debit, Fedwire non-value transaction, and Fedline Taxpayer Deposit Application).
- File identification and reference numbers.
- FRB process and receive dates.
- Balance/transaction amount.

All AOC activity affecting the depositary's TT&L account.

2040.20—Statements to Financial Institutions

After the close of a TT&L reporting cycle, the FRB timely issues statements to appropriate financial institutions that include charges for late or improper processing of electronic tax payments.

Contacts

Direct inquiries concerning this chapter to:

Director
Financial Services Division
Financial Management Service
Department of the Treasury
401 14th St., SW., Room 313
Washington, DC 20227
Telephone: 202-874-6580

TREASURY FINANCIAL MANUAL

TABLE OF CONTENTS

Chapter	Section	Title
1000		PURPOSE AND PLAN OF VOLUME IV
	1010	Authority
	1015	Arrangement of the TFM
	1020	Transmittal Letters
	1025	TFM Bulletins
	1030	Distribution
	1035	Inquiries
		Contacts
2000		FEDERAL TAX COLLECTIONS—OVERVIEW
	2010	Applicability
	2015	Authority
	2020	Definitions
	2025	Tax Collection Systems Overview
	2030	Difference Between Financial Institutions and Depositories
	2035	Classification of Depositories
	2040	Statements to Depositories and Financial Institutions
		Contacts
2100		FEDERAL TAX COLLECTIONS USING THE FEDERAL TAX DEPOSIT SYSTEM
	2110	Applicability
	2115	Authority
	2120	Definitions
	2125	Accepting, Dating, Forwarding and Adjustment Procedures for FTDs
	2130	Compensation for Services
	2135	Charges for the Improper Processing of Federal Tax Deposits
	2140	Computation and Collection of FTD Late Fees
	2145	Temporary Secondary TT&L Accounts Due to a Merger
		Contacts

2200

**FEDERAL TAX COLLECTIONS USING THE ELECTRONIC
FEDERAL TAX PAYMENT SYSTEM**

2210	Applicability
2215	Authority
2220	Definitions
2225	Electronic Federal Tax Payment System
2230	EFTPS Enrollment Processing
2235	Conditions for Making an EFTPS Payment
2240	Electronic Future-Day Federal Tax Payment Mechanisms (ACH)
2245	Electronic Same-Day Federal Tax Payment Mechanisms
2250	Interest Assessment for the Improper Processing of Electronic Federal Tax Payments
	Contacts

2300

TREASURY TAX AND LOAN INVESTMENT PROGRAM

2310	Applicability
2315	Authority
2320	Definitions
2325	Investment Program
2330	Changes of Option for TT&L Depositories
2335	Direct Investment (DI) Program
2340	Special Direct Investment (SDI) Program
2345	Computation and Collection of Interest on Note Balances
2350	Collateral Security Requirements
	Contacts